

ADJUSTMENTS BUDGET OF MKHAMBATHINI MUNICIPALITY



2014/15 TO 2016/17

MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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Table of Contents

PART 1 – ADJUSTMENTS BUDGET

1.1	MAYOR'S REPORT	1
1.2	COUNCIL RESOLUTIONS	4
1.3	EXECUTIVE SUMMARY	6
1.4	ADJUSTMENT BUDGET TABLES B1 – B10	9

PART 2 – SUPPORTING DOCUMENTATION

2.1	ADJUSTMENTS TO BUDGET ASSUMPTIONS	28
2.2	ADJUSTMENTS TO BUDGET FUNDING	28
2.3	ADJUSTMENTS TO EXPENDITURE ON ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY.....	28
2.4	ADJUSTMENTS TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN.....	28
2.5	OTHER SUPPORTING DOCUMENTS TABLES SB1 – SB20.....	29
2.6	MUNICIPAL MANAGER'S QUALITY CERTIFICATION.....	46

Abbreviations and Acronyms

ASGISA	Accelerated and Shared Growth Initiative	M	Mayor
BPC	Budget Planning Committee	MBRR	Municipal Budget & Reporting Regulations
CFO	Chief Financial Officer	MEC	Member of the Executive Committee
CM	Municipality Manager	MFMA	Municipal Financial Management Act
CPI	Consumer Price Index	MIG	Municipal Infrastructure Grant
CRRF	Capital Replacement Reserve Fund	MPRA	Municipal Properties Rates Act
DBSA	Development Bank of South Africa	MSA	Municipal Systems Act
DoRA	Division of Revenue Act	MTEF	Medium-term Expenditure Framework
DWA	Department of Water Affairs	MTREF	Medium-term Revenue and Expenditure Framework
EE	Employment Equity	NERSA	National Electricity Regulator South Africa
EEDSM	Energy Efficiency Demand Side Management	NGO	Non-Governmental Organisations
FBS	Free basic services	NKPIs	National Key Performance Indicators
GAMAP	Generally Accepted Municipal Accounting Practice	OHS	Occupational Health and Safety
GDP	Gross Domestic Product	OP	Operational Plan
GDS	Gauteng Growth and Development Strategy	PBO	Public Benefit Organisations
GFS	Government Financial Statistics	PHC	Provincial Health Care
GRAP	General Recognised Accounting Practice	PMS	Performance Management System
HR	Human Resources	PPE	Property Plant and Equipment
HSRC	Human Science Research Council	PPP	Public Private Partnership
IDP	Integrated Development Plan	PTIS	Public Transport Infrastructure System
IT	Information Technology	RG	Restructuring Grant
kℓ	kilolitre	RSC	Regional Services Council
km	kilometre	SALGA	South African Local Government Association
KPA	Key Performance Area	SAPS	South African Police Service
KPI	Key Performance Indicator	SDBIP	Service Delivery Budget
kWh	kilowatt hour		Implementation Plan
ℓ	litre	SMME	Small Micro and Medium Enterprises
LED	Local Economic Development		

Part 1 – Adjustments Budget

1.1 Mayor's Report

During January 2015 the implementation of the budget and financial performance of the municipality was assessed for the first half of the financial year, taking into consideration the monthly budget statements. According to this assessment it was recommended to Council that the 2014/2015 annual budget be amended in February 2015 to revise projections for revenue and expenditures amongst the different votes. The main reasons for the revision can be summarised as follows:-

1. Adjusted Rates Income due to the implementation of a new valuation roll with effect 1 July 2014. As the result of higher valuation which impacted the ability of ratepayers to pay their bills, Council reassessed the impact and reduced the rate randage. The result was that rates revenue was reduced by R5,6 million.
2. Roll-over approval of operating, capital and electrification grants (Financial Management Grant, Municipal Systems Grant, MIG grant and Electrification grant). This affected the operating as income and expenditure as well as the capital budget. Approval was received from National Treasury in this regard.
3. Reduction of the capital budget based on prioritisation of needs and availability of the ability to funds some projects internally
4. Re assessment of current income and expenditure estimates in relation to past actual results from the audited financial statements for 2013/2014. This was confirmed at the engagement meeting held with Provincial Treasury to discuss this adjustments budget on 11 February 2014.
5. Provision of additional budget for non – cash flow items such as additional deprecation and provision for accumulated leave, bad debt provision and provision for medical aid and long service contributions to comply with Grap 25.

Although all of the above affected the original budget to the extent that the total operating expenditure increased from R50.944 million to R 65,153 million, the revenue decreased from R70,018 million to R68,177 million leaving a surplus of R 3 ,024 million. This will have no effect on the rate randage or any other tariffs and charges of the municipality. I therefore recommend that the Adjusted Budget as set out in the Tables B1 to B10 be approved by Council for the 2014/15, 2015/16 and 2016/17 financial years.

1.2 Council Resolutions

On 20 February 2015 the Council of Mkhambathini Local Municipality met in the Council Chambers of Mkhambathini Municipality to consider the adjustments budget of the municipality for the financial year 2014/2015. The Council approved and adopted the following resolutions:

1. That Council adopts the Adjustments Budget for the 2014/2015 financial year in terms of section 28 of the Municipal Finance Management Act, No. 56 of 2003 as set out in the following adjustments budget tables:
 - 1.1 Table B1: Adjustments Budget Summary
 - 1.2 Table B2: Adjustments Budget Financial Performance (Standard Classification)
 - 1.3 Table B3: Adjustments Budget Financial Performance (Revenue & Expenditure by Vote)
 - 1.3.1 Table B4: Adjustments Budget Financial Performance (Revenue by Source and Expenditure by Type)
 - 1.4 Table B5: Adjustments Capital Expenditure Budget by Vote & Funding
 - 1.5 Table B6: Adjustments Budget on Financial Position
 - 1.6 Table B7: Adjustments Budget on Cash Flow
 - 1.7 Table B8: Cash Backed Reserves / Accumulated Surplus Reconciliation
 - 1.8 Table B9: Asset Management
 - 1.8.1 Table B10: Basic Service Delivery Measurement
2. That the Adjustments Budget as per section 21 of the Municipal Budget & Reporting Regulations be submitted to Provincial and National Treasuries within 10 days after approval by Council.
3. That Council notes that input from Provincial Treasury regarding the Adjustment Budget

1.3 Executive Summary

The format and contents of the adjustments budget and supporting documentation must be in the format as specified in schedule B of the Municipal Budget and Reporting Regulations. The adjustments budget as submitted herewith contains the applicable adjustments budget tables B1 to B10 and supporting tables SB1 to SB20.

It should be noted that municipal taxes and tariffs may not be increased during a financial year, and any amendments to the annual budget must remain funded in accordance with section 18 of the Municipal Finance Management Act, No. 56 of 2003 (MFMA).

Table B1 provides details on the adjusted budgeted financial performance, whilst table B4 and supporting table SB1 provides adjusted budgetary information for revenue by source and expenditure by type.

Table B5 provides details on the adjusted capital expenditure by vote and funding.

Table B6 provides details on the adjusted budgeted financial position and table B7 as the adjusted budgeted cash flows.

Table B8 summarises the cash-backed reserves and accumulated surplus reconciliation whilst table B9 provides details on asset management.

Table B10 deals with the basic service delivery measurement.

The adjustments budget herewith presented provides for a decrease in the total operating revenue of R1, 841million to the amount of R 68,177 million (original budget: R70,018 million). When analysing this, the following factors become apparent.

- (a) Property rates reflect a decrease of R 5, 6 million. This is due to the fact that the property rates income was reduced do to the unaffordability by rates payers
- (b) Transfers recognised-operational increased by R 1 771 354 due to approval of roll overs by National Treasury.
- (c) Other own revenue increased by R1, 998 million due to increase in debtors interest and increase in license and permits.

The adjusted operating expenditure increased to R 65, 153 million (original budget: R 50, 944 million) which reflects an increase of R 14, 209 million. The main contributing factors for this increase are as follows:

- (a) Depreciation increased by R 2, 0 million.
- (b) Bad debt provision was budgeted for at R 800 000
- (c) Provisions for leave and Grap 25 compliance were budgeted for at R 800000
- (d) Repairs and Maintenance decreased by R 1 ,030 million
- (e) Grants and subsidies paid was moved to General expenses as the municipality does not give any grants or subsidies to any organisation R 4 , 738 million. This has no impact on

total expenditure

- (f) Operational grant expenditure increased by R 1,771 million due to approved roll overs.
- (g) Other expenditure increased by R 7,81 million due to under provision of budget to meet actual expenditures.

The balance of the increased expenditure is funded from the revenue and the utilisation of projected savings in one vote towards spending in another vote. Equitable share allocation is used to fund the majority of expenditure. Although the total budget reflects a revised surplus R 3, 023 million, expenditure must individually be monitored to ensure that it remains sustainable and within budget. The adjusted capital expenditure for 2014/2015 amount to R18, 061 million which is R 2.659 million less than the original budget of R 20, 720 million. This is attributed to the availability of own funding.

1.4 Adjustments Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2014/2015 budget and MTREF as approved by the Council. Each table is accompanied by explanatory notes.

Table 1 MBRR Table B1 – Adjustments Budget Summary

KZN226 Mkhambathini - Table B1 Adjustments Budget Summary - 20 February 2015

Description	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	16 417	-	-	-	-	-	(5 610)	(5 610)	10 807	11 456	12 144
Service charges	-	-	-	-	-	-	-	-	-	-	-
Investment revenue	832	-	-	-	-	-	-	-	832	882	935
Transfers recognised - operational	48 971	-	-	-	-	1 771	-	1 771	50 742	53 787	57 408
Other own revenue	3 797	-	-	-	-	-	1 998	1 998	5 795	6 141	6 510
Total Revenue (excluding capital transfers and contributions)	70 018	-	-	-	-	1 771	(3 612)	(1 841)	68 177	72 267	76 997
Employee costs	21 969	-	-	-	-	-	-	-	21 969	23 287	24 777
Remuneration of councillors	4 752	-	-	-	-	-	-	-	4 752	5 037	5 339
Depreciation & asset impairment	2 542	-	-	-	-	-	2 000	2 000	4 542	4 814	5 103
Finance charges	127	-	-	-	-	-	-	-	127	134	141
Materials and bulk purchases	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants	4 738	-	-	-	-	-	(4 738)	(4 738)	-	-	-
Other expenditure	16 817	-	-	-	-	-	16 946	16 946	33 763	35 789	39 487
Total Expenditure	50 944	-	-	-	-	-	14 208	14 208	65 153	69 061	74 848
Surplus/(Deficit)	19 073	-	-	-	-	1 771	(17 821)	(16 049)	3 024	3 206	2 149
Transfers recognised - capital	16 251	-	-	-	-	-	-	-	16 251	16 974	17 551
Contributions recognised - capital & contributed	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	35 324	-	-	-	-	1 771	(17 821)	(16 049)	19 275	20 180	19 700
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	35 324	-	-	-	-	1 771	(17 821)	(16 049)	19 275	20 180	19 700
Capital expenditure & funds sources											
Capital expenditure	20 720	-	-	-	-	-	(2 659)	(2 659)	18 061	16 974	17 551
Transfers recognised - capital	16 251	-	-	-	-	1 090	-	1 090	17 341	16 974	17 551
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	4 469	-	-	-	-	-	(3 749)	(3 749)	720	-	-
Total sources of capital funds	20 720	-	-	-	-	1 090	(3 749)	(2 659)	18 061	16 974	17 551
Financial position											
Total current assets	30 280	-	-	-	-	-	-	-	30 280	-	-
Total non current assets	101 451	-	-	-	-	-	-	-	101 451	-	-
Total current liabilities	452	-	-	-	-	-	-	-	452	-	-
Total non current liabilities	-	-	-	-	-	-	-	-	-	-	-
Community wealth/Equity	55 706	-	-	-	-	-	-	-	55 706	-	-
Cash flows											
Net cash from (used) operating	47 757	-	-	-	-	-	(18 610)	(18 610)	29 147	-	-
Net cash from (used) investing	(20 700)	-	-	-	-	-	2 540	2 540	(18 160)	-	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	49 433	-	-	-	-	-	(10 495)	(10 495)	38 938	-	-
Cash backing/surplus reconciliation											
Cash and investments available	28 903	-	-	-	-	-	-	-	28 903	-	-
Application of cash and investments	(363)	-	-	-	-	-	478	478	115	-	-
Balance - surplus (shortfall)	29 266	-	-	-	-	-	(478)	(478)	28 788	-	-
Asset Management											
Asset register summary (WDV)	32 531	-	-	-	-	-	-	-	32 531	34 483	36 552
Depreciation & asset impairment	2 542	-	-	-	-	-	2 000	2 000	4 542	4 814	5 103
Renewal of Existing Assets	18 061	-	-	-	-	-	-	-	18 061	16 974	17 551
Repairs and Maintenance	2 220	-	-	-	-	-	-	-	2 220	2 353	4 045
Free services											
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	1 205	-	-	-	-	-	-	-	1 205	1 278	1 354
Households below minimum service level											
Water:	1	-	-	-	-	-	-	-	1	1	1
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	0	-	-	-	-	-	-	-	0	0	0

Explanatory notes to MBRR Table B1 – Adjustments Budget Summary

1. Table B1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - (a) The operating surplus / deficit (after Total Expenditure) is positive over the MTREF
 - (b) Capital expenditure is balanced by capital funding sources, of which
 - (i) Transfers recognised is reflected on the Financial Performance Budget;

Table 2 MBRR Table B2 – Adjustments Budgeted Financial Performance (revenue and expenditure by standard classification)

KZN226 Mkhambathini - Table B2 Adjustments Budget Financial Performance (standard classification) - 20 February 2015

Standard Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		5	6	7	8	9	10	11	12			
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Standard												
<i>Governance and administration</i>		49 547	-	-	-	-	-	(1 841)	(1 841)	47 706	71 719	76 015
Executive and council		1 132	-	-	-	-	-	-	-	1 132	-	-
Budget and treasury office		47 481	-	-	-	-	-	(1 841)	(1 841)	45 640	70 752	74 997
Corporate services		934	-	-	-	-	-	-	-	934	967	1 018
<i>Community and public safety</i>		684	-	-	-	-	-	-	-	684	547	982
Community and social services		684	-	-	-	-	-	-	-	684	547	982
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		19 786	-	-	-	-	-	-	-	19 786	-	-
Planning and development		223	-	-	-	-	-	-	-	223	-	-
Road transport		19 562	-	-	-	-	-	-	-	19 562	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	70 018	-	-	-	-	-	(1 841)	(1 841)	68 177	72 267	76 997
Expenditure - Standard												
<i>Governance and administration</i>		39 698	-	-	-	-	-	14 209	14 209	53 907	56 428	59 620
Executive and council		10 700	-	-	-	-	-	-	-	10 700	9 369	9 989
Budget and treasury office		14 502	-	-	-	-	-	-	-	14 502	17 158	15 119
Corporate services		14 496	-	-	-	-	-	14 209	14 209	28 705	29 901	34 512
<i>Community and public safety</i>		5 865	-	-	-	-	-	-	-	5 865	6 854	9 053
Community and social services		5 865	-	-	-	-	-	-	-	5 865	6 854	9 053
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		5 381	-	-	-	-	-	-	-	5 381	5 480	5 877
Planning and development		98	-	-	-	-	-	-	-	98	99	110
Road transport		5 283	-	-	-	-	-	-	-	5 283	5 382	5 767
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	299	299
Electricity		-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	299	299
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	50 944	-	-	-	-	-	14 209	14 209	65 153	69 062	74 848
Surplus/ (Deficit) for the year		19 073	-	-	-	-	-	(16 050)	(16 050)	3 023	3 205	2 149

Explanatory notes to MBRR Table B2 – Adjustments Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table B2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 9 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources reflected under Executive and Council.

Table B3 – Adjustments Budgeted Financial Performance (revenue and expenditure by municipal vote)

KZN226 Mkhambathini - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 20 February 2015

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands												
Revenue by Vote	1											
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury Office		48 837	-	-	-	-	-	(1 841)	(1 841)	46 996	50 162	44 534
Vote 4 - Corporate Services		934	-	-	-	-	-	-	-	934	967	1 018
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Library		684	-	-	-	-	-	-	-	684	547	982
Vote 7 - Vehicle Registration and Testing		3 311	-	-	-	-	-	-	-	3 311	3 315	3 780
Vote 8 - Solid Waste		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Technical Services		16 251	-	-	-	-	-	-	-	16 251	17 276	26 683
Vote 10 - Technical Services		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	70 018	-	-	-	-	-	(1 841)	(1 841)	68 177	72 267	76 997
Expenditure by Vote	1											
Vote 1 - Executive and Council		5 930	-	-	-	-	-	-	-	5 930	5 901	6 578
Vote 2 - Municipal Manager		4 770	-	-	-	-	-	-	-	4 770	3 468	3 411
Vote 3 - Budget and Treasury Office		14 282	-	-	-	-	-	-	-	14 282	17 158	15 119
Vote 4 - Corporate Services		14 814	-	-	-	-	-	14 209	14 209	29 023	30 299	34 960
Vote 5 - Community Services		4 897	-	-	-	-	-	-	-	4 897	5 893	7 003
Vote 6 - Library		968	-	-	-	-	-	-	-	968	961	2 050
Vote 7 - Vehicle Registration and Testing		17	-	-	-	-	-	-	-	17	17	18
Vote 8 - Solid Waste		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Technical Services		5 266	-	-	-	-	-	-	-	5 266	5 365	5 709
Vote 10 - Technical Services		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	50 944	-	-	-	-	-	14 209	14 209	65 153	69 062	74 848
Surplus/ (Deficit) for the year	2	19 074	-	-	-	-	-	(16 050)	(16 050)	3 024	3 205	2 149

**Explanatory notes to MBRR Table B3 – Adjustments Budgeted Financial Performance
(revenue and expenditure by municipal vote)**

1. Table B3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

**Table 4 MBRR Table B4 – Adjustments Budgeted Financial Performance
(revenue and expenditure)**

KZN226 Mkhambathini - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 20 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Property rates	2	16 406	–	–	–	–	–	(5 599)	(5 599)	10 807	11 456	12 144
Property rates - penalties & collection charges		11						(11)	(11)	–		–
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - other									–	–		
Rental of facilities and equipment									–	–		
Interest earned - external investments		832							–	832	882	935
Interest earned - outstanding debtors		157						1 043	1 043	1 200	1 272	1 348
Dividends received									–	–		
Fines		90							–	90	95	101
Licences and permits		3 311						948	948	4 260	4 515	4 786
Agency services									–	–		
Transfers recognised - operating		48 971					1 771		1 771	50 742	53 787	57 408
Other revenue	2	219	–	–	–	–	–	26	26	245	259	275
Gains on disposal of PPE		20						(20)	(20)	–		
Total Revenue (excluding capital transfers and contributions)		70 018	–	–	–	–	1 771	(3 612)	(1 841)	68 177	72 267	76 997
Expenditure By Type												
Employee related costs		21 969	–	–	–	–	–	–	–	21 969	23 287	24 777
Remuneration of councillors		4 752							–	4 752	5 037	5 339
Debt impairment								800	800	800	848	899
Depreciation & asset impairment		2 542	–	–	–	–	–	2 000	2 000	4 542	4 814	5 103
Finance charges		127							–	127	134	141
Bulk purchases		–	–	–	–	–	–	–	–	–	–	–
Other materials									–	–		
Contracted services		300	–	–	–	–	–	–	–	300	318	337
Transfers and grants		4 738						(4 738)	(4 738)	–		
Other expenditure		16 517	–	–	–	–	–	16 146	16 146	32 663	34 623	38 251
Loss on disposal of PPE									–	–		
Total Expenditure		50 944	–	–	–	–	–	14 208	14 208	65 153	69 061	74 848
Surplus/(Deficit)		19 073	–	–	–	–	1 771	(17 821)	(16 049)	3 024	3 206	2 149
Transfers recognised - capital		16 251							–	16 251	16 974	17 551
Contributions									–	–		
Contributed assets									–	–		
Surplus/(Deficit) before taxation		35 324	–	–	–	–	1 771	(17 821)	(16 049)	19 275	20 180	19 700
Taxation									–	–		
Surplus/(Deficit) after taxation		35 324	–	–	–	–	1 771	(17 821)	(16 049)	19 275	20 180	19 700
Attributable to minorities									–	–		
Surplus/(Deficit) attributable to municipality		35 324	–	–	–	–	1 771	(17 821)	(16 049)	19 275	20 180	19 700
Share of surplus/ (deficit) of associate									–	–		
Surplus/ (Deficit) for the year		35 324	–	–	–	–	1 771	(17 821)	(16 049)	19 275	20 180	19 700

**EXPLANATORY NOTES TO TABLE B4 – Adjustments Budgeted Financial Performance
(revenue and expenditure)**

1. Total revenue is R68,177 million in 2014/2015 and escalates to R 72, 267 million by 2015/2016. This represents a year-on-year increase of 6 percent for the 2015/16 financial year and 6.5, percent for the 2016/17 financial year.
2. Revenue to be generated from property rates is R10,80 7 million in the 2014/2015 financial year and increases to R11, 456 million by 2015/16 which represents 15.85 per cent of the operating revenue base of the Municipality.
3. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government.
4. Employee related costs, Councillor Allowances and other general expenditure are the main cost drivers in the Municipality and must be closely monitored to budget figures to ensure correct expenditure is recorded.

Table B5 – Adjustments Budgeted Capital Expenditure by vote,

KZN226 Mkhambathini - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 20 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted 5 A1	Accum. Funds 6 B	Multi-year capital 7 C	Unfore. Unavoid. 8 D	Nat. or Prov. Govt 9 E	Other Adjusts. 10 F	Total Adjusts. 11 G	Adjusted Budget 12 H	Adjusted Budget	Adjusted Budget
R thousands		A		B	C	D	E	F	G	H		
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Library		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Vehicle Registration and Testing		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Solid Waste		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Technical Services		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Technical Services		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be adjusted	2											
Vote 1 - Executive and Council		370	-	-	-	-	-	(280)	(280)	90	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury Office		100	-	-	-	-	-	(100)	(100)	-	-	-
Vote 4 - Corporate Services		30	-	-	-	-	-	(30)	(30)	-	-	-
Vote 5 - Community Services		1 080	-	-	-	-	-	(330)	(330)	750	-	-
Vote 6 - Library		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Vehicle Registration and Testing		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Solid Waste		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Technical Services		19 140	-	-	-	-	-	(1 919)	(1 919)	17 221	16 974	17 551
Vote 10 - Technical Services		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		20 720	-	-	-	-	-	(2 659)	(2 659)	18 061	16 974	17 551
Total Capital Expenditure - Vote		20 720	-	-	-	-	-	(2 659)	(2 659)	18 061	16 974	17 551
Capital Expenditure - Standard												
Governance and administration		500	-	-	-	-	-	(410)	(410)	90	-	-
Executive and council		370	-	-	-	-	-	(280)	(280)	90	-	-
Budget and treasury office		100	-	-	-	-	-	(100)	(100)	-	-	-
Corporate services		30	-	-	-	-	-	(30)	(30)	-	-	-
Community and public safety		480	-	-	-	-	-	150	150	630	-	-
Community and social services		480	-	-	-	-	-	150	150	630	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		19 140	-	-	-	-	1 090	(2 889)	(1 799)	17 341	16 974	17 551
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		19 140	-	-	-	-	1 090	(2 889)	(1 799)	17 341	16 974	17 551
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		600	-	-	-	-	-	(600)	(600)	-	-	-
Electricity		-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		600	-	-	-	-	-	(600)	(600)	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	20 720	-	-	-	-	1 090	(3 749)	(2 659)	18 061	16 974	17 551
Funded by:												
National Government		16 251	-	-	-	-	1 090	-	1 090	17 341	16 974	17 551
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-
Total Capital transfers recognised	4	16 251	-	-	-	-	1 090	-	1 090	17 341	16 974	17 551
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		4 469	-	-	-	-	-	(3 749)	(3 749)	720	-	-
Total Capital Funding		20 720	-	-	-	-	1 090	(3 749)	(2 659)	18 061	16 974	17 551

standard classification and funding source

Explanatory notes to Table B5 – Adjustments Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table B5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.
3. Single-year capital expenditure has been appropriated at R 18, 061million for the 2014/2015 financial year.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialised tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have not been included and no commitments will be incurred against single-year appropriations for the two outer-years until the approved budgets are in place
5. The capital programme is funded from capital grants and internally generated reserves. For 2014/2015, capital transfers totals R 17, 341 million and internally generated funding totalling R 720 000.

Table A6 – Adjustments Budgeted Financial Position

KZN226 Mkhambathini - Table B6 Adjustments Budget Financial Position - 20 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands												
ASSETS												
Current assets												
Cash		11 915							-	11 915	49 106	77 020
Call investment deposits	1	16 989	-	-	-	-	-	-	-	16 989	7 121	7 121
Consumer debtors	1	1 377	-	-	-	-	-	-	-	1 377	786	162
Other debtors									-	-		
Current portion of long-term receivables									-	-		
Inventory									-	-		
Total current assets		30 280	-	-	-	-	-	-	-	30 280	57 013	84 303
Non current assets												
Long-term receivables									-	-		
Investments									-	-		
Investment property		1 158							-	1 158	1 158	1 158
Investment in Associate									-	-		
Property, plant and equipment	1	100 293	-	-	-	-	-	-	-	100 293	106 220	112 498
Agricultural									-	-		
Biological									-	-		
Intangible									-	-		
Other non-current assets									-	-		
Total non current assets		101 451	-	-	-	-	-	-	-	101 451	107 378	113 656
TOTAL ASSETS		131 731	-	-	-	-	-	-	-	131 731	164 391	197 959
LIABILITIES												
Current liabilities												
Bank overdraft									-	-		
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Consumer deposits									-	-		
Trade and other payables		452	-	-	-	-	-	-	-	452	479	507
Provisions									-	-		
Total current liabilities		452	-	-	-	-	-	-	-	452	479	507
Non current liabilities												
Borrowing	1	-	-	-	-	-	-	-	-	-	-	-
Provisions	1	-	-	-	-	-	-	-	-	-	-	-
Total non current liabilities		-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES		452	-	-	-	-	-	-	-	452	479	507
NET ASSETS	2	131 279	-	-	-	-	-	-	-	131 279	163 912	197 452
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		35 324	-	-	-	-	-	-	-	35 324	47 565	47 176
Reserves		20 382	-	-	-	-	-	-	-	20 382	21 584	22 857
TOTAL COMMUNITY WEALTH/EQUITY		55 706	-	-	-	-	-	-	-	55 706	69 149	70 033

Explanatory notes to Table A6 – Adjustments Budgeted Financial Position

1. Table B6 is consistent with international standards of good financial management practice, and improves understand ability for Councillors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
4. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

B7 – Adjustments Budgeted Cash Flow Statement

KZN226 Mkhambathini - Table B7 Adjustments Budget Cash Flows - 20 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Ratepayers and other		20 214						(9 340)	(9 340)	10 874	11 526	12 218
Government - operating	1	48 971							-	48 971	54 799	56 554
Government - capital	1	16 251							-	16 251	16 974	17 551
Interest		832							-	832	833	883
Dividends									-	-		
Payments												
Suppliers and employees		(43 122)						(4 532)	(4 532)	(47 654)	(50 513)	(53 544)
Finance charges		(127)							-	(127)	(127)	(127)
Transfers and Grants	1	4 738						(4 738)	(4 738)	-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		47 757	-	-	-	-	-	(18 610)	(18 610)	29 147	33 492	33 535
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE									-	-		
Decrease (Increase) in non-current debtors		20						(20)	(20)	-		
Decrease (increase) other non-current receivables									-	-		
Decrease (increase) in non-current investments									-	-		
Payments												
Capital assets		(20 720)						2 560	2 560	(18 160)	(16 974)	(17 515)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(20 700)	-	-	-	-	-	2 540	2 540	(18 160)	(16 974)	(17 515)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans									-	-		
Borrowing long term/refinancing									-	-		
Increase (decrease) in consumer deposits									-	-		
Payments												
Repayment of borrowing									-	-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		27 057	-	-	-	-	-	(16 070)	(16 070)	10 987	16 518	16 020
Cash/cash equivalents at the year begin:	2	22 377						5 575	5 575	27 952	38 938	55 456
Cash/cash equivalents at the year end:	2	49 433	-	-	-	-	-	(10 495)		38 938	55 456	71 476

Explanatory notes to Table B7 – Adjustments Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

Table B8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

KZN226 Mkhambathini - Table B8 Cash backed reserves/accumulated surplus reconciliation - 20 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
Cash and investments available												
Cash/cash equivalents at the year end	1	49 433	-	-	-	-	-	(10 495)	(10 495)	38 938	55 456	71 476
Other current investments > 90 days		(20 530)	-	-	-	-	-	10 495	10 495	(10 035)	771	12 665
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		28 903	-	-	-	-	-	-	-	28 903	56 227	84 141
Applications of cash and investments												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing												
Statutory requirements		239								239		
Other working capital requirements	2	(928)	-					478	478	(450)	(36)	401
Other provisions		326								326		
Long term investments committed		-	-					-	-	-	-	-
Reserves to be backed by cash/investments		-	-					-	-	-	-	-
Total Application of cash and investments:		(363)	-	-	-	-	-	478	478	115	(36)	401
Surplus(shortfall)		29 266	-	-	-	-	-	(478)	(478)	28 788	56 263	83 740

Explanatory notes to Table B8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.

Table B 9 Asset Management

KZN226 Mkhambathini - Table B9 Asset Management - 20 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
R thousands												
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	20 720	-	-	-	-	-	(2 659)	(2 659)	18 061	16 974	17 551
Infrastructure - Road transport		5 000	-	-	-	-	-	-	-	5 000	16 974	17 551
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		5 000	-	-	-	-	-	-	-	5 000	16 974	17 551
Community		11 251	-	-	-	-	-	-	-	11 251	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	4 469	-	-	-	-	-	(2 659)	(2 659)	1 810	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets to be adjusted	2	18 061	-	-	-	-	-	-	-	18 061	16 974	17 551
Infrastructure - Road transport		16 251	-	-	-	-	-	-	-	16 251	16 974	17 551
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		16 251	-	-	-	-	-	-	-	16 251	16 974	17 551
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	1 810	-	-	-	-	-	-	-	1 810	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure to be adjusted	4	21 251	-	-	-	-	-	-	-	21 251	33 948	35 102
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		21 251	-	-	-	-	-	-	-	21 251	33 948	35 102
Community		11 251	-	-	-	-	-	-	-	11 251	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets		6 279	-	-	-	-	-	(2 659)	(2 659)	3 620	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	2	38 781	-	-	-	-	-	(2 659)	(2 659)	36 122	33 948	35 102
ASSET REGISTER SUMMARY - PPE (WDV)	5											
Infrastructure - Road transport		7 242	-	-	-	-	-	-	-	7 242	7 677	8 137
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		7 242	-	-	-	-	-	-	-	7 242	7 677	8 137
Community		12 751	-	-	-	-	-	-	-	12 751	13 516	14 327
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		1 158	-	-	-	-	-	-	-	1 158	1 227	1 301
Other assets		11 380	-	-	-	-	-	-	-	11 380	12 063	12 787
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	32 531	-	-	-	-	-	-	-	32 531	34 483	36 552
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment	3	2 542	-	-	-	-	-	2 000	2 000	4 542	4 814	5 103
Repairs and Maintenance by asset class		2 220	-	-	-	-	-	-	-	2 220	2 353	4 045
Infrastructure - Road transport		150	-	-	-	-	-	-	-	150	1 500	4 045
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		150	-	-	-	-	-	-	-	150	1 500	4 045
Community		1 500	-	-	-	-	-	-	-	1 500	667	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	570	-	-	-	-	-	-	-	570	186	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		4 762	-	-	-	-	-	2 000	2 000	6 762	7 167	9 148
% of capital exp on renewal of assets		46.6%	0.0%							50.0%	50.0%	50.0%
Renewal of existing assets as % of deprecn		710.6%	0.0%							397.7%	352.6%	343.9%
R&M as a % of PPE		6.8%	0.0%							6.8%	6.8%	11.1%
Renewal and R&M as a % of PPE		62.3%	0.0%							62.3%	56.0%	59.1%

Explanatory notes to Table B9 - Asset Management

1. Table B9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

Table 10 MBRR Table B10 - Basic Service Delivery Measurement

KZN226 Mkhambathini - Table B10 Basic service delivery measurement - 20 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
Piped water inside dwelling		3071							-	3	3 255.26	3 450.58
Piped water inside yard (but not in dwelling)		9838							-	10	10 428.28	11 053.98
Using public tap (at least min.service level)	2	1576							-	2	1 670.56	1 770.79
Other water supply (at least min.service level)									-			
Minimum Service Level and Above sub-total		14	-	-	-	-	-	-	-	14	15	16
Using public tap (< min.service level)	3	204							-	0	216.24	229.21
Other water supply (< min.service level)	3,4								-			
No water supply		299							-	0	316.94	335.96
Below Minimum Service Level sub-total		1	-	-	-	-	-	-	-	1	1	1
Total number of households	5	15	-	-	-	-	-	-	-	15	16	17
Sanitation/sewerage:												
Flush toilet (connected to sewerage)		1785							-	1 785	1 892.10	2 005.63
Flush toilet (with septic tank)		1789							-	1 789	1 896.34	2 010.12
Chemical toilet		533							-	533	564.98	598.88
Pit toilet (ventilated)		8627							-	8 627	9 144.62	9 693.30
Other toilet provisions (> min.service level)		0							-			
Minimum Service Level and Above sub-total		12 734	-	-	-	-	-	-	-	12 734	13 498	14 308
Bucket toilet									-			
Other toilet provisions (< min.service level)									-			
No toilet provisions									-			
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	12 734	-	-	-	-	-	-	-	12 734	13 498	14 308
Energy:												
Electricity (at least min. service level)									-			
Electricity - prepaid (> min.service level)									-			
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-	-	-
Electricity (< min.service level)									-			
Electricity - prepaid (< min. service level)									-			
Other energy sources									-			
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-	-	-
Refuse:												
Removed at least once a week (min.service)		480							-	480	508.80	539.33
Minimum Service Level and Above sub-total		480	-	-	-	-	-	-	-	480	509	539
Removed less frequently than once a week		52							-	52	55.12	58.43
Using communal refuse dump									-			
Using own refuse dump									-			
Other rubbish disposal									-			
No rubbish disposal									-			
Below Minimum Service Level sub-total		52	-	-	-	-	-	-	-	52	55	58
Total number of households	5	532	-	-	-	-	-	-	-	532	564	598
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)									-	-		
Sanitation (free minimum level service)									-	-		
Electricity/other energy (50kwh per household per month)		424000							-	424 000	449 440.00	476 406.40
Refuse (removed at least once a week)		735650							-	735 650	779 789.00	826 576.34
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per household per month)									-	-		
Sanitation (free sanitation service)									-	-		
Electricity/other energy (50kwh per household per month)									-	-		
Refuse (removed once a week)									-	-		
Total cost of FBS provided (minimum social package)		-	-	-	-	-	-	-	-	-	-	-
Highest level of free service provided												
Property rates (R'000 value threshold)									-	-		
Water (kilolitres per household per month)									-	-		
Sanitation (kilolitres per household per month)									-	-		
Sanitation (Rand per household per month)									-	-		
Electricity (kw per household per month)									-	-		
Refuse (average litres per week)									-	-		
Revenue cost of free services provided (R'000)	17											
Property rates (R15 000 threshold rebate)									-	-		
Property rates (other exemptions, reductions and rebates)		1 205							-	1 205	1 278	1 354
Water									-	-		
Sanitation									-	-		
Electricity/other energy									-	-		
Refuse									-	-		
Municipal Housing - rental rebates									-	-		
Housing - top structure subsidies									-	-		
Other									-	-		
Total revenue cost of free services provided (total services)	6	1 205	-	-	-	-	-	-	-	1 205	1 278	1 354

Explanatory notes to Table B10 - Basic Service Delivery Measurement

1. Table B10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

Part 2 – Supporting Documentation

Part 2 of the Adjustments Budget contains supporting tables SB1 to SB20 of which information on the supporting tables is as follows:-

2.1 Adjustments to Budget Assumptions

The property rates revenue has been reduced due to implementation of a new valuation roll. It is expected that 60 % of the revised income is collectable in the current financial year due to ongoing queries Employee related costs are expected to remain underspent due to the vacancies, however is expected that some of the critical posts will be filled during the remaining months of the financial year. It is envisaged that once some of these posts are filled, aggressive debt collection can commence and that the Municipality continues to operate as a going concern. The other budget assumptions with the compilation of the 2014/2015 annual budget have remained more or less the same.

2.2 Adjustments to Budget Funding

There is decreased expenditure on internal funding of R 3, 749 million, on the capital side, due to the fact that current cash flows do not allow for funding of the original internally funded capital items. Conditional grants will either be spent and / or invested by 30 June 2015 on those projects that will not be completed by 30 June 2015.

Assurance has been given by National COGTA that the balance of Mig funding of R 12 251 000 will be released on 25 February 2015. This will be used to pay contractors on site for completion of work on capital projects. The slow rate of spending on the first tranche of MIG resulted in delays with the balance of the funding.

2.3 Adjustments to Expenditure Allocations and Grant Programme

Supporting Table SB8 provides details on the adjusted expenditure on transfers and grant programmes. The main adjustments are on other grant providers which can be summarised as follows:-

- (a) The roll over approved by National Treasury of R 1771 354 has been accordingly appropriated.

2.4. Adjustments made to Service Delivery and Budget Implementation Plan

Supporting tables SB13, SB14, SB16 and SB17 reflects the adjustments to the monthly targets for operating revenue and expenditure as well as capital expenditure. It is envisaged that operating revenue to the amount of R 68, 177 million will still realise from January 2015 to June 2015 whilst operating expenditure to the amount of R 65, 153 million including non- cash items will also realise. Capital expenditure of R12, 251 million is envisaged for the rest of the financial year.

KZN226 Mkhambathini - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 20 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget A	Prior Adjusted 6 A1	Accum. Funds 7 B	Multi-year capital 8 C	Unfore. Unavoid. 9 D	Nat. or Prov. Govt 10 E	Other Adjusts. 11 F	Total Adjusts. 12 G	Adjusted Budget 13 H	Adjusted Budget	Adjusted Budget
R thousands												
REVENUE ITEMS												
Property rates												
Total Property Rates		16 687						(4 429)	(4 429)	12 258	12 993	13 773
less Revenue Foregone		281						1 170	1 170	1 450	1 537	1 629
Net Property Rates		16 406	-	-	-	-	-	(5 599)	(5 599)	10 807	11 456	12 144
Service charges - electricity revenue												
Total Service charges - electricity revenue									-	-		
less Revenue Foregone									-	-		
Net Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue												
Total Service charges - water revenue									-	-		
less Revenue Foregone									-	-		
Net Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue												
Total Service charges - sanitation revenue									-	-		
less Revenue Foregone									-	-		
Net Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue												
Total refuse removal revenue									-	-		
Total landfill revenue									-	-		
less Revenue Foregone									-	-		
Net Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-
Other Revenue By Source												
Fuel levy									-	-		
Other revenue	3	219						26	26	245	259	275
Total 'Other' Revenue	1	219	-	-	-	-	-	26	26	245	259	275
EXPENDITURE ITEMS												
Employee related costs												
Basic Salaries and Wages		15 127							-	15 127	16 034	17 061
Pension and UIF Contributions		3 455							-	3 455	3 662	3 896
Medical Aid Contributions		620							-	620	657	699
Overtime		710							-	710	753	801
Performance Bonus		917							-	917	972	1 035
Motor Vehicle Allowance		359							-	359	380	405
Cellphone Allowance		60							-	60	64	68
Housing Allowances		42							-	42	44	47
Other benefits and allowances		268							-	268	284	302
Payments in lieu of leave		411							-	411	436	464
Long service awards									-	-	-	-
Post-retirement benefit obligations									-	-	-	-
sub-total	4	21 969	-	-	-	-	-	-	-	21 969	23 287	24 777
Less: Employees costs capitalised to PPE									-	-		
Total Employee related costs	1	21 969	-	-	-	-	-	-	-	21 969	23 287	24 777
Contributions recognised - capital												
List contributions by contract									-	-		
Total Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment												
Depreciation of Property, Plant & Equipment		2 542						2 000	2 000	4 542	4 814	5 103
Lease amortisation									-	-		
Capital asset impairment									-	-		
Depreciation resulting from revaluation of PPE									-	-		
Total Depreciation & asset impairment	1	2 542	-	-	-	-	-	2 000	2 000	4 542	4 814	5 103
Bulk purchases												
Electricity									-	-		
Water									-	-		
Total bulk purchases	1	-	-	-	-	-	-	-	-	-	-	-
Contracted services												
List services provided by contract		300							-	300	318	337
sub-total	1	300	-	-	-	-	-	-	-	300	318	337
Allocations to organs of state:												
Electricity									-	-		
Water									-	-		
Sanitation									-	-		
Other									-	-		
Total contracted services		300	-	-	-	-	-	-	-	300	318	337
Other Expenditure By Type												
Repairs and maintenance		3 250						(1 030)	(1 030)	2 220	2 353	4 045
Collection costs									-	-		
Job Creation								5 500	5 500	5 500	5 830	6 180
Contributions to 'other' provisions								800	800	800	848	899
Consultant fees									-	-		
Audit fees		1 700							-	1 700	1 802	1 910
General expenses	3,5	11 567						10 876	10 876	22 443	23 790	25 217
Total Other Expenditure	1	16 517	-	-	-	-	-	16 146	17 176	30 443	34 623	38 251

KZN226 Mkhambathini - Supporting Table SB2 Supporting detail to 'Financial Position Budget' - 20 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
ASSETS												
Call investment deposits												
Call deposits < 90 days									-	-		
Other current investments > 90 days		16 989							-	16 989	7 121	7 121
Total Call investment deposits	1	16 989	-	-	-	-	-	-	-	16 989	7 121	7 121
Consumer debtors												
Consumer debtors		2 052							-	2 052	2 173	2 302
Less: provision for debt impairment		675	-	-	-	-	-	-	-	675	1 388	2 139
Total Consumer debtors	1	1 377	-	-	-	-	-	-	-	1 377	786	162
Debt impairment provision												
Balance at the beginning of the year									-	-	675	1 388
Contributions to the provision									-	-		
Bad debts written off		675							-	675	712	752
Balance at end of year		675	-	-	-	-	-	-	-	675	1 388	2 139
Property, plant & equipment												
PPE at cost/valuation (excl. finance leases)		102 834							-	102 834	108 901	115 327
Leases recognised as PPE									-	-		
Less: Accumulated depreciation		2 542							-	2 542	2 681	2 829
Total Property, plant & equipment	1	100 293	-	-	-	-	-	-	-	100 293	106 220	112 498
LIABILITIES												
Current liabilities - Borrowing												
Short term loans (other than bank overdraft)									-	-		
Current portion of long-term liabilities									-	-		
Total Current liabilities - Borrowing		-	-	-	-	-	-	-	-	-	-	-
Trade and other payables												
Creditors		452							-	452	479	507
Unspent conditional grants and receipts									-	-		
VAT									-	-		
Total Trade and other payables	1	452	-	-	-	-	-	-	-	452	479	507
Non current liabilities - Borrowing												
Borrowing	3								-	-		
Finance leases (including PPP asset element)									-	-		
Total Non current liabilities - Borrowing		-	-	-	-	-	-	-	-	-	-	-
Provisions - non current												
Retirement benefits									-	-		
List other major items									-	-		
Refuse landfill site rehabilitation									-	-		
Other									-	-		
Total Provisions - non current		-	-	-	-	-	-	-	-	-	-	-
CHANGES IN NET ASSETS												
Accumulated surplus/(Deficit)												
Accumulated surplus/(Deficit) - opening balance		35 324							-	35 324	47 565	47 176
Appropriations to Reserves									-	-		
Transfers from Reserves									-	-		
Depreciation offsets									-	-		
Other adjustments									-	-		
Accumulated Surplus/(Deficit)	1	35 324	-	-	-	-	-	-	-	35 324	47 565	47 176
Reserves												
Housing Development Fund									-	-		
Capital replacement									-	-		
Self-insurance									-	-		
Other reserves (list)									-	-		
Revaluation		20 382							-	20 382	21 584	22 857
Total Reserves	2	20 382	-	-	-	-	-	-	-	20 382	21 584	22 857
TOTAL COMMUNITY WEALTH/EQUITY	2	55 706	-	-	-	-	-	-	-	55 706	69 149	70 033
Total capital expenditure includes expenditure on nationally significant priorities:												
Provision of basic services									-	-		
2010 World Cup									-	-		

KZN226 Mkhambathini - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks - 20 February 2015

Description of financial indicator	Basis of calculation	2011/12	2012/13	2013/14	Budget Year 2014/15			Budget Year +1 2015/16	Budget Year +2 2016/17
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
<u>Borrowing Management</u>									
Credit Rating	Short term/long term rating								
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure				0.2%	0.0%	0.2%	0.2%	0.2%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure ex cl. transfers and grants				0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>									
Gearing	Long Term Borrowing/ Funds & Reserves				0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>									
Current Ratio	Current assets/current liabilities				6696.4%	0.0%	6696.4%	11905.6%	16623.8%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities				22435.2%	0.0%	0.0%	0.0%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities				63.9	0.0	63.9	117.4	165.9
<u>Revenue Management</u>									
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing								
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				2.0%	0.0%	2.0%	1.1%	0.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))								
Creditors to Cash					0.9%	0.0%	1.2%	0.9%	0.7%
<u>Other Indicators</u>									
Electricity Distribution Losses (2)	Total Volume Losses (kW) Total Cost of Losses (Rand '000)								
Water Distribution Losses (2)	Total Volume Losses (kℓ) Total Cost of Losses (Rand '000)								
Employee costs	Employee costs/(Total Revenue - capital revenue)				31.4%	0.0%	32.2%	32.2%	32.2%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)				3.2%	0.0%	3.3%	3.3%	5.3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				3.8%	0.0%	6.8%	6.8%	6.8%
<u>IDP regulation financial viability indicators</u>									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)				15698.4%	0.0%	13004.0%	13065.5%	13849.4%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				2.0%	0.0%	2.0%	1.1%	0.2%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure				1.3	0.0	0.9	1.3	1.5

KZN226 Mkhambathini - Supporting Table SB6 Adjustments Budget - funding measurement - 20 February 2015

Description	Ref	MFMA section	2011/12	2012/13	2013/14	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands										
Funding measures										
Cash/cash equivalents at the year end - R'000	1	18(1)b	10 832	18 263	33 812	49 433	–	38 938	55 456	71 476
Cash + investments at the yr end less applications - R'000	2	18(1)b	13 320	13 917	8 197	29 266	–	28 788	56 263	83 740
Cash year end/monthly employee/supplier payments	3	18(1)b	0	0	0	0	–	0	0	0
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)	10 356	15 629	18 034	35 324	–	19 275	20 180	19 700
Service charge rev % change - macro CPIX target exclusiv e	5	18(1)a,(2)	11.60%	31.7%	-6.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0.0%	0.0%	0.0%	100.2%	0.0%	65.5%	65.5%	65.5%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)	17.1%	8.9%	15.3%	0.0%	0.0%	7.4%	7.4%	7.4%
Capital payments % of capital expenditure	8	18(1)c;19	100.0%	100.0%	80.5%	100.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	11	18(1)a	-52.5%	89.3%	0.0%				-42.9%	-79.3%
Long term receivables % change - incr(decr)	12	18(1)a	0.0%	0.0%	0.0%				0.0%	0.0%
R&M % of Property Plant & Equipment	13	20(1)(vi)	2.0%	1.0%	2.9%	6.8%	0.0%	6.8%	6.8%	11.1%
Asset renewal al % of capital budget	14	20(1)(vi)	0.0%	12.4%	9.7%	46.6%	0.0%	50.0%	50.0%	50.0%

KZN226 Mkhambathini - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 20 February 2015

Description	Ref	Budget Year 2014/15							Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget A	Prior Adjusted 7 A1	Multi-year capital 8 B	Nat. or Prov. Govt 9 C	Other Adjusts. 10 D	Total Adjusts. 11 E	Adjusted Budget 12 F	Adjusted Budget	Adjusted Budget
R thousands										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		48 290	–	–	–	1 772	1 772	50 062	53 066	56 250
Local Government Equitable Share		39 424					–	39 424	41 789	44 297
Finance Management	3	1 800				15	15	1 815	1 924	2 039
Municipal Systems Improvement		934				9	9	943	1 000	1 060
Integrated National Electrification Programme		5 000				1 748	1 748	6 748	7 153	7 582
EPWP Incentive		1 132					–	1 132	1 200	1 272
Other transfers and grants [insert description]							–	–		
Provincial Government:		681	–	–	–	–	–	681	722	765
Sport and Recreation	4						–	–		
							–	–		
							–	–		
Library Grants	5	681					–	681	722	765
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]							–	–		
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]							–	–		
Total Operating Transfers and Grants	6	48 971	–	–	–	1 772	1 772	50 743	53 788	57 015
Capital Transfers and Grants										
National Government:		16 251	–	–	–	1 090	1 090	17 341	16 974	17 551
Municipal Infrastructure Grant (MIG)		16 251				1 090	1 090	17 341	16 974	17 551
							–	–		
							–	–		
							–	–		
Other capital transfers [insert description]							–	–		
Provincial Government:		–	–	–	–	–	–	–	–	–
[insert description]							–	–		
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]							–	–		
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]							–	–		
Total Capital Transfers and Grants	6	16 251	–	–	–	1 090	1 090	17 341	16 974	17 551
TOTAL RECEIPTS OF TRANSFERS & GRANTS		65 222	–	–	–	2 862	2 862	68 084	70 762	74 566

KZN226 Mkhambathini - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 20 February 2015

Description	Ref	Budget Year 2014/15							Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted 2	Multi-year capital 3	Nat. or Prov. Govt 4	Other Adjusts. 5	Total Adjusts. 6	Adjusted Budget 7	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F		
R thousands										
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		48 290	-	-	-	1 772	1 772	50 062	53 065	56 249
Local Government Equitable Share		39 424					-	39 424	41 789	44 296
Finance Management		1 800				15	15	1 815	1 924	2 039
Municipal Systems Improvement		934				9	9	943	1 000	1 060
Integrated National Electrification Programme		5 000				1 748	1 748	6 748	7 153	7 582
EPWP Incentive		1 132					-	1 132	1 200	1 272
							-	-		
Other transfers and grants [insert description]							-	-		
Provincial Government:		681	-	-	-	-	-	681	722	765
Sport and Recreation							-	-		
							-	-		
							-	-		
Library Grants		681					-	681	722	765
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
							-	-		
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
							-	-		
Total operating expenditure of Transfers and Grants:		48 971	-	-	-	1 772	1 772	50 743	53 787	57 014
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		16 251	-	-	-	1 090	1 090	17 341	16 974	17 551
Municipal Infrastructure Grant (MIG)		16 251				1 090	1 090	17 341	16 974	17 551
							-	-		
							-	-		
							-	-		
Other capital transfers [insert description]							-	-		
Provincial Government:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
							-	-		
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
							-	-		
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
							-	-		
Total capital expenditure of Transfers and Grants		16 251	-	-	-	1 090	1 090	17 341	16 974	17 551
Total capital expenditure of Transfers and Grants		65 222	-	-	-	2 862	2 862	68 084	70 761	74 565

KZN226 Mkhambathini - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds - 20 February 2015

Description	Ref	Budget Year 2014/15							Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget A	Prior Adjusted 2 A1	Multi-year capital 3 B	Nat. or Prov. Govt 4 C	Other Adjusts. 5 D	Total Adjusts. 6 E	Adjusted Budget 7 F	Adjusted Budget	Adjusted Budget
R thousands										
<u>Operating transfers and grants:</u>										
National Government:										
Balance unspent at beginning of the year							-	-		
Current year receipts		48 290				1 771	1 771	50 061	53 065	56 643
Conditions met - transferred to revenue		48 290	-	-	-	1 771	1 771	50 061	53 065	56 643
Conditions still to be met - transferred to liabilities							-	-		
Provincial Government:										
Balance unspent at beginning of the year							-	-		
Current year receipts		681					-	681	722	765
Conditions met - transferred to revenue		681	-	-	-	-	-	681	722	765
Conditions still to be met - transferred to liabilities							-	-		
District Municipality:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
Other grant providers:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
Total operating transfers and grants revenue		48 971	-	-	-	1 771	1 771	50 742	53 787	57 408
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
<u>Capital transfers and grants:</u>										
National Government:										
Balance unspent at beginning of the year							-	-		
Current year receipts		16 251				1 090	1 090	17 341	16 974	17 551
Conditions met - transferred to revenue		16 251	-	-	-	1 090	1 090	17 341	16 974	17 551
Conditions still to be met - transferred to liabilities							-	-		
Provincial Government:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
District Municipality:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
Other grant providers:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
Total capital transfers and grants revenue		16 251	-	-	-	1 090	1 090	17 341	16 974	17 551
Total capital transfers and grants - CTBM		-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		65 222	-	-	-	2 861	2 861	68 083	70 761	74 959
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

KZN226 Mkhambathini - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 20 February 2015

Summary of remuneration	Ref	Budget Year 2014/15									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages		4 122							—	4 122	0.0%
Pension and UIF Contributions									—	—	
Medical Aid Contributions									—	—	
Motor Vehicle Allowance									—	—	
Cellphone Allowance									—	—	
Housing Allowances									—	—	
Other benefits and allowances									—	—	
		408							—	408	
Sub Total - Councillors		4 529	—			—		—	—	4 529	0.0%
% increase			(0)							—	
Senior Managers of the Municipality											
Basic Salaries and Wages		4 892							—	4 892	0.0%
Pension and UIF Contributions									—	—	
Medical Aid Contributions									—	—	
Overtime									—	—	
Performance Bonus									—	—	
Motor Vehicle Allowance									—	—	
Cellphone Allowance									—	—	
Housing Allowances									—	—	
Other benefits and allowances									—	—	
Payments in lieu of leave									—	—	
Long service awards									—	—	
Post-retirement benefit obligations									—	—	
Sub Total - Senior Managers of Municipality	5	4 892	—	—		—		—	—	4 892	0.0%
% increase			(0)							—	
Other Municipal Staff											
Basic Salaries and Wages		5 213							—	5 213	0.0%
Pension and UIF Contributions		3 455							—	3 455	0.0%
Medical Aid Contributions		620							—	620	0.0%
Overtime		710							—	710	0.0%
Performance Bonus		917							—	917	0.0%
Motor Vehicle Allowance		359							—	359	0.0%
Cellphone Allowance		60							—	60	0.0%
Housing Allowances		42							—	42	0.0%
Other benefits and allowances		268							—	268	0.0%
Payments in lieu of leave		411							—	411	0.0%
Long service awards									—	—	
Post-retirement benefit obligations									—	—	
Sub Total - Other Municipal Staff	5	12 055	—	—	—	—	—	—	—	12 055	0.0%
% increase											
Total Parent Municipality		21 477	—	—	—	—	—	—	—	21 477	0.0%
Board Members of Entities											
Basic Salaries and Wages									—	—	
Pension and UIF Contributions									—	—	
Medical Aid Contributions									—	—	
Overtime									—	—	
Performance Bonus									—	—	
Motor Vehicle Allowance									—	—	
Cellphone Allowance									—	—	
Housing Allowances									—	—	
Other benefits and allowances									—	—	
Board Fees									—	—	
Payments in lieu of leave									—	—	
Long service awards									—	—	
Post-retirement benefit obligations									—	—	
Sub Total - Board Members of Entities	5	—	—	—	—	—	—	—	—	—	
% increase											
Senior Managers of Entities											
Basic Salaries and Wages									—	—	
Pension and UIF Contributions									—	—	
Medical Aid Contributions									—	—	
Overtime									—	—	
Performance Bonus									—	—	
Motor Vehicle Allowance									—	—	
Cellphone Allowance									—	—	
Housing Allowances									—	—	
Other benefits and allowances									—	—	
Payments in lieu of leave									—	—	
Long service awards									—	—	
Post-retirement benefit obligations									—	—	
Sub Total - Senior Managers of Entities	5	—	—	—	—	—	—	—	—	—	
% increase											
Other Staff of Entities											
Basic Salaries and Wages									—	—	
Pension and UIF Contributions									—	—	
Medical Aid Contributions									—	—	
Overtime									—	—	
Performance Bonus									—	—	
Motor Vehicle Allowance									—	—	
Cellphone Allowance									—	—	
Housing Allowances									—	—	
Other benefits and allowances									—	—	
Payments in lieu of leave									—	—	
Long service awards									—	—	
Post-retirement benefit obligations									—	—	
Sub Total - Other Staff of Entities	5	—	—	—	—	—	—	—	—	—	
% increase											
Total Municipal Entities		—	—	—	—	—	—	—	—	—	
COUNCILLOR ALLOWANCES, EMPLOYEE REMUNERATION & ENTITY REMUNERATION		21 477	—	—	—	—	—	—	—	21 477	0.0%
% increase											
TOTAL MANAGERS AND STAFF		16 947	—	—	—	—	—	—	—	16 947	0.0%

KZN226 Mkhambathini - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (standard classification) - 20 February 2015

Description - Standard classification		Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
			Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																	
Revenue - Standard																	
Governance and administration			4 294	4 294	4 294	4 294	4 294	4 294	4 294	4 294	4 294	4 294	475	47 706	71 719	76 015	
Executive and council			94	94	94	94	94	94	94	94	94	94	94	1 132	-	-	
Budget and treasury office			4 122	4 122	4 122	4 122	4 122	4 122	4 122	4 122	4 122	4 122	303	45 640	70 752	74 997	
Corporate services			78	78	78	78	78	78	78	78	78	78	78	934	967	1 018	
Community and public safety			57	57	57	57	57	57	57	57	57	57	57	684	547	982	
Community and social services			57	57	57	57	57	57	57	57	57	57	57	684	547	982	
Sport and recreation													-	-	-	-	
Public safety													-	-	-	-	
Housing													-	-	-	-	
Health													-	-	-	-	
Economic and environmental services			1 649	1 649	1 649	1 649	1 649	1 649	1 649	1 649	1 649	1 649	1 650	19 786	-	-	
Planning and development			19	19	19	19	19	19	19	19	19	19	19	223	-	-	
Road transport			1 630	1 630	1 630	1 630	1 630	1 630	1 630	1 630	1 630	1 630	1 631	19 562	-	-	
Environmental protection													-	-	-	-	
Trading services			-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Electricity													-	-	-	-	
Water													-	-	-	-	
Waste water management													-	-	-	-	
Waste management													-	-	-	-	
Other													-	-	-	-	
Total Revenue - Standard			5 999	5 999	5 999	5 999	5 999	5 999	5 999	5 999	5 999	5 999	2 182	68 177	72 267	76 997	
Expenditure - Standard																	
Governance and administration			6 934	6 934	6 934	6 934	6 934	6 934	6 934	6 934	6 934	6 934	(22 368)	53 907	56 428	59 620	
Executive and council			892	892	892	892	892	892	892	892	892	892	892	10 700	9 369	9 989	
Budget and treasury office			1 209	1 209	1 209	1 209	1 209	1 209	1 209	1 209	1 209	1 209	1 208	14 502	17 158	15 119	
Corporate services			4 834	4 834	4 834	4 834	4 834	4 834	4 834	4 834	4 834	4 834	(24 468)	28 705	29 901	34 512	
Community and public safety			489	489	489	489	489	489	489	489	489	489	489	5 865	6 854	9 053	
Community and social services			489	489	489	489	489	489	489	489	489	489	489	5 865	6 854	9 053	
Sport and recreation													-	-	-	-	
Public safety													-	-	-	-	
Housing													-	-	-	-	
Health													-	-	-	-	
Economic and environmental services			448	448	448	448	448	448	448	448	448	448	449	5 381	5 480	5 877	
Planning and development			8	8	8	8	8	8	8	8	8	8	9	98	99	110	
Road transport			440	440	440	440	440	440	440	440	440	440	440	5 283	5 382	5 767	
Environmental protection													-	-	-	-	
Trading services			-	-	-	-	-	-	-	-	-	-	-	-	299	299	
Electricity													-	-	-	-	
Water													-	-	-	-	
Waste water management													-	-	-	-	
Waste management													-	-	299	299	
Other													-	-	-	-	
Total Expenditure - Standard			7 871	7 871	7 871	7 871	7 871	7 871	7 871	7 871	7 871	7 871	(21 430)	65 153	69 062	74 848	
Surplus/ (Deficit) 1.			(1 872)	(1 872)	(1 872)	(1 872)	(1 872)	(1 872)	(1 872)	(1 872)	(1 872)	(1 872)	23 612	3 023	3 205	2 149	

KZN226 Mkhambathini - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure - 20 February 2015

Description		Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
			Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																	
Revenue By Source																	
Property rates			1 367	1 367	1 367	1 367	1 367	1 367	1 367	1 367	1 367	1 367	(4 232)	10 807	11 456	12 144	
Property rates - penalties & collection charges			1	1	1	1	1	1	1	1	1	1	(10)	-	-	-	
Service charges - electricity revenue													-	-	-	-	
Service charges - water revenue													-	-	-	-	
Service charges - sanitation revenue													-	-	-	-	
Service charges - refuse													-	-	-	-	
Service charges - other													-	-	-	-	
Rental of facilities and equipment													-	-	-	-	
Interest earned - external investments			69	69	69	69	69	69	69	69	69	69	70	832	882	935	
Interest earned - outstanding debtors			13	13	13	13	13	13	13	13	13	13	1 056	1 200	1 272	1 348	
Dividends received													-	-	-	-	
Fines			8	8	8	8	8	8	8	8	8	8	7	90	95	101	
Licences and permits			276	276	276	276	276	276	276	276	276	276	1 225	4 260	4 515	4 786	
Agency services													-	-	-	-	
Transfers recognised - operational			4 081	4 081	4 081	4 081	4 081	4 081	4 081	4 081	4 081	4 081	5 852	50 742	53 787	57 408	
Other revenue			18	18	18	18	18	18	18	18	18	18	45	245	259	275	
Gains on disposal of PPE			2	2	2	2	2	2	2	2	2	2	(18)	-	-	-	
Total Revenue			5 835	5 835	5 835	5 835	5 835	5 835	5 835	5 835	5 835	5 835	3 994	68 177	72 267	76 997	
Expenditure By Type																	
Employee related costs			1 831	1 831	1 831	1 831	1 831	1 831	1 831	1 831	1 831	1 831	1 830	21 969	23 287	24 777	
Remuneration of councillors			396	396	396	396	396	396	396	396	396	396	396	4 752	5 037	5 339	
Debt impairment													800	800	848	899	
Depreciation & asset impairment			212	212	212	212	212	212	212	212	212	212	2 211	4 542	4 814	5 103	
Finance charges			11	11	11	11	11	11	11	11	11	11	11	127	134	141	
Bulk purchases													-	-	-	-	
Other materials													-	-	-	-	
Contracted services			25	25	25	25	25	25	25	25	25	25	25	300	318	337	
Grants and subsidies			395	395	395	395	395	395	395	395	395	395	(4 343)	-	-	-	
Other expenditure			1 376	1 376	1 376	1 376	1 376	1 376	1 376	1 376	1 376	1 376	17 523	32 663	34 623	38 251	
Loss on disposal of PPE													-	-	-	-	
Total Expenditure			4 245	4 245	4 245	4 245	4 245	4 245	4 245	4 245	4 245	4 245	18 453	65 153	69 061	74 848	
Surplus/(Deficit)			1 589	1 589	1 589	1 589	1 589	1 589	1 589	1 589	1 589	1 589	(14 459)	3 024	3 206	2 149	
Transfers recognised - capital			1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	16 251	16 974	17 551	
Contributions													-	-	-	-	
Contributed assets													-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions			2 944	2 944	2 944	2 944	2 944	2 944	2 944	2 944	2 944	2 944	(13 104)	19 275	20 180	19 700	

Cash Receipts By Source	1															
Property rates	1 367	1 367	1 367	1 367	1 367	1 367	1 367	1 367	1 367	1 367	1 367	(4 232)	10 807	11 456	12 144	
Property rates - penalties & collection charges	1	1	1	1	1	1	1	1	1	1	1	1	11	-	-	
Service charges - electricity revenue												-				
Service charges - water revenue												-				
Service charges - sanitation revenue												-				
Service charges - refuse												-				
Service charges - other												-				
Rental of facilities and equipment												-				
Interest earned - external investments	69	69	69	69	69	69	69	69	69	69	69	77	832	882	935	
Interest earned - outstanding debtors	13	13	13	13	13	13	13	13	13	13	13	1 056	1 200	1 272	1 348	
Dividends received												-				
Fines	8	8	8	8	8	8	8	8	8	8	8	7	90	95	101	
Licences and permits	276	276	276	276	276	276	276	276	276	276	276	1 225	4 260	4 515	4 786	
Agency services												-				
Transfer receipts - operational	4 081	4 081	4 081	4 081	4 081	4 081	4 081	4 081	4 081	4 081	4 081	5 852	50 742	53 787	57 408	
Other revenue	20	20	20	20	20	20	20	20	20	20	20	26	245	259	275	
Cash Receipts by Source	5 834	5 834	5 834	5 834	5 834	5 834	5 834	5 834	5 834	5 834	5 834	4 013	68 187	72 267	76 997	
Other Cash Flows by Source																
Transfers receipts - capital	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	16 251	16 974	17 551	
Contributions & Contributed assets												-				
Proceeds on disposal of PPE												-				
Short term loans												-				
Borrowing long term/refinancing												-				
Increase in consumer deposits												-				
Decrease (Increase) in non-current debtors												-				
Decrease (increase) other non-current receivables												-				
Decrease (increase) in non-current investments												-				
Total Cash Receipts by Source	7 188	7 188	7 188	7 188	7 188	7 188	7 188	7 188	7 188	7 188	7 188	5 367	84 438	89 241	94 548	
Cash Payments by Type																
Employee related costs	1 831	1 831	1 831	1 831	1 831	1 831	1 831	1 831	1 831	1 831	1 831	1 830	21 969	23 287	24 777	
Remuneration of councillors	396	396	396	396	396	396	396	396	396	396	396	396	4 752	5 037	5 339	
Collection costs												-				
Interest paid	11	11	11	11	11	11	11	11	11	11	11	11	127	135	143	
Bulk purchases - Electricity												-				
Bulk purchases - Water & Sewer												-				
Other materials	25	25	25	25	25	25	25	25	25	25	25	25	300	318	337	
Contracted services												-				
Grants and subsidies paid - other municipalities												-	-	-	-	
Grants and subsidies paid - other												-				
General expenses	2 589	2 589	2 589	2 589	2 589	2 589	2 589	2 589	2 589	2 589	2 589	2 589	31 063	32 927	36 454	
Cash Payments by Type	4 851	4 851	4 851	4 851	4 851	4 851	4 851	4 851	4 851	4 851	4 851	4 851	58 211	61 704	67 050	
Other Cash Flows/Payments by Type																
Capital assets	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	16 251	16 974	17 551	
Repayment of borrowing												-				
Other Cash Flows/Payments												-				
Total Cash Payments by Type	6 205	6 205	6 205	6 205	6 205	6 205	6 205	6 205	6 205	6 205	6 205	6 205	74 462	78 678	84 601	
NET INCREASE/(DECREASE) IN CASH HELD	983	983	983	983	983	983	983	983	983	983	983	(837)	9 977	10 563	9 947	
Cash/cash equivalents at the month/year beginning:	5 571	6 554	7 537	8 520	9 503	10 486	11 470	12 453	13 436	14 419	15 402	16 385	5 571	15 548	26 111	
Cash/cash equivalents at the month/year end:	6 554	7 537	8 520	9 503	10 486	11 470	12 453	13 436	14 419	15 402	16 385	15 548	15 548	26 111	36 057	

KZN226 Mkhambathini - Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote) - 20 February 2015

Description - Municipal Vote	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Multi-year expenditure appropriation	1															
Vote 1 - Executive and Council													-	-	-	-
Vote 2 - Municipal Manager													-	-	-	-
Vote 3 - Budget and Treasury Office													-	-	-	-
Vote 4 - Corporate Services													-	-	-	-
Vote 5 - Community Services													-	-	-	-
Vote 6 - Library													-	-	-	-
Vote 7 - Vehicle Registration and Testing													-	-	-	-
Vote 8 - Solid Waste													-	-	-	-
Vote 9 - Technical Services													-	-	-	-
Vote 10 - Technical Services													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital Multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure appropriation																
Vote 1 - Executive and Council		31	31	31	31	31	31	31	31	31	31	31	(249)	90	-	-
Vote 2 - Municipal Manager													-	-	-	-
Vote 3 - Budget and Treasury Office		8	8	8	8	8	8	8	8	8	8	8	(92)	-	-	-
Vote 4 - Corporate Services													-	-	-	-
Vote 5 - Community Services		90	90	90	90	90	90	90	90	90	90	90	(240)	750	-	-
Vote 6 - Library													-	-	-	-
Vote 7 - Vehicle Registration and Testing													-	-	-	-
Vote 8 - Solid Waste													-	-	-	-
Vote 9 - Technical Services		1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	(324)	17 221	16 974	17 551
Vote 10 - Technical Services													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital single-year expenditure sub-total	3	1 724	1 724	1 724	1 724	1 724	1 724	1 724	1 724	1 724	1 724	1 724	(905)	18 061	16 974	17 551
Total Capital Expenditure	2	1 724	1 724	1 724	1 724	1 724	1 724	1 724	1 724	1 724	1 724	1 724	(905)	18 061	16 974	17 551

KZN226 Mkhambathini - Supporting Table SB17 Adjustments Budget - monthly capital expenditure (standard classification) - 20 February 2015

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Capital Expenditure - Standard																
<i>Governance and administration</i>		42	42	42	42	42	42	42	42	42	42	42	(368)	90	-	-
Executive and council		31	31	31	31	31	31	31	31	31	31	31	(249)	90	-	-
Budget and treasury office		8	8	8	8	8	8	8	8	8	8	8	(92)	-	-	-
Corporate services		3	3	3	3	3	3	3	3	3	3	3	(28)	-	-	-
<i>Community and public safety</i>		40	40	40	40	40	40	40	40	40	40	40	190	630	-	-
Community and social services		40	40	40	40	40	40	40	40	40	40	40	190	630	-	-
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	(204)	17 341	16 974	17 551
Planning and development													-	-	-	-
Road transport		1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	(204)	17 341	16 974	17 551
Environmental protection													-	-	-	-
<i>Trading services</i>		50	50	50	50	50	50	50	50	50	50	50	(550)	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management		50	50	50	50	50	50	50	50	50	50	50	(550)	-	-	-
<i>Other</i>													-	-	-	-
Total Capital Expenditure - Standard		1 727	1 727	1 727	1 727	1 727	1 727	1 727	1 727	1 727	1 727	1 727	(932)	18 061	16 974	17 551

KZN226 Mkhambathini - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class - 20 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure on new assets by Asset Class/Sub-class												
Infrastructure		5 000	-	-	-	-	-	-	-	5 000	16 974	17 551
Infrastructure - Road transport		5 000	-	-	-	-	-	-	-	5 000	16 974	17 551
Roads, Pavements & Bridges		5 000								5 000	16 974	17 551
Storm water										-		
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Generation										-		
Transmission & Reticulation										-		
Street Lighting										-		
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Dams & Reservoirs										-		
Water purification										-		
Reticulation										-		
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Reticulation										-		
Sewerage purification										-		
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Refuse										-		
Transportation	2									-		
Gas										-		
Other	3									-		
Community		11 251	-	-	-	-	-	-	-	11 251	-	-
Parks & gardens										-		
Sports Fields & stadia		6 000								6 000		
Swimming pools										-		
Community halls		2 500								2 500		
Libraries										-		
Recreational facilities										-		
Fire, safety & emergency										-		
Security and policing										-		
Buses										-		
Clinics										-		
Museums & Art Galleries										-		
Cemeteries										-		
Social rental housing										-		
Other		2 751								2 751		
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Buildings										-		
Other										-		
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Housing development										-		
Other										-		
Other assets		4 469	-	-	-	-	-	(2 659)	(2 659)	1 810	-	-
General vehicles		2 609						(1 159)	(1 159)	1 450		
Specialised vehicles	18	1 500	-	-	-	-	-	(1 500)	(1 500)	-	-	-
Plant & equipment										-		
Computers - hardware/equipment										-		
Furniture and other office equipment										-		
Abattoirs										-		
Markets										-		
Civic Land and Buildings										-		
Other Buildings										-		
Other Land										-		
Surplus Assets - (Investment or Inventory)										-		
Other		360								360		
Agricultural assets		-	-	-	-	-	-	-	-	-	-	-
List sub-class										-		
Biological assets		-	-	-	-	-	-	-	-	-	-	-
List sub-class										-		
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Computers - software & programming										-		
Other (list sub-class)										-		
Total Capital Expenditure on new assets to be adjus	1	20 720	-	-	-	-	-	(2 659)	(2 659)	18 061	16 974	17 551
Specialised vehicles	18	1 500	-	-	-	-	-	(1 500)	(1 500)	-	-	-
Refuse		1 500						(1 500)	(1 500)	-		
Fire										-		
Conservancy										-		
Ambulances										-		

KZN226 Mkhambathini - Supporting Table SB18b Adjustments Budget - capital expenditure on renewal of existing assets by asset class - 20 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure on renewal of existing assets by Asset Class/Sub-class												
Infrastructure		16 251	-	-	-	-	-	-	-	16 251	16 974	17 551
Infrastructure - Road transport		16 251	-	-	-	-	-	-	-	16 251	16 974	17 551
Roads, Pavements & Bridges		16 251	-	-	-	-	-	-	-	16 251	16 974	17 551
Storm water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-	-	-
Transportation	2	-	-	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-	-	-
Sports Fields & stadia		-	-	-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Other assets		1 810	-	-	-	-	-	-	-	1 810	-	-
General vehicles		-	-	-	-	-	-	-	-	-	-	-
Specialised vehicles	18	-	-	-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	-	-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-	-	-
Other		1 810	-	-	-	-	-	-	-	1 810	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-	-	-
Other (list sub-class)		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets to be adjusted	1	18 061	-	-	-	-	-	-	-	18 061	16 974	17 551
Specialised vehicles	18	-	-	-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-	-	-

KZN226 Mkhambathini - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class - 20 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Repairs and maintenance expenditure by Asset Class/Sub-class												
Infrastructure		150	-	-	-	-	-	-	-	150	1 500	4 045
Infrastructure - Road transport		150	-	-	-	-	-	-	-	150	1 500	4 045
Roads, Pavements & Bridges		150	-	-	-	-	-	-	-	150	1 500	4 045
Storm water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-	-	-
Transportation	2	-	-	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-	-	-	-
Community		1 500	-	-	-	-	-	-	-	1 500	667	-
Parks & gardens		-	-	-	-	-	-	-	-	-	-	-
Sports Fields & stadia		-	-	-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-	-	-
Community halls		1 500	-	-	-	-	-	-	-	1 500	467	-
Libraries		-	-	-	-	-	-	-	-	-	200	-
Recreational facilities		-	-	-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Other assets		570	-	-	-	-	-	-	-	570	186	-
General vehicles		150	-	-	-	-	-	-	-	150	64	-
Specialised vehicles	18	-	-	-	-	-	-	-	-	-	-	-
Plant & equipment		100	-	-	-	-	-	-	-	100	122	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	-	-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-	-	-
Other		320	-	-	-	-	-	-	-	320	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-	-	-
Other (list sub-class)		-	-	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure to be adjusted	1	2 220	-	-	-	-	-	-	-	2 220	2 353	4 045
Specialised vehicles	18	-	-	-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-	-	-

KZN226 Mkhambathini - Supporting Table SB18d Adjustments Budget - depreciation by asset class - 20 February 2015

Description	Ref	Budget Year 2014/15								Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
R thousands		A	7	8	9	10	11	12	13	14	
		A	A1	B	C	D	E	F	G	H	
Depreciation by Asset Class/Sub-class											
Infrastructure		1 747	-	-	-	-	-	2 000	2 000	3 747	3 972
Infrastructure - Road transport		1 747	-	-	-	-	-	2 000	2 000	3 747	4 210
Roads, Pavements & Bridges		1 747						2 000	2 000	3 747	4 210
Storm water									-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-
Generation									-	-	-
Transmission & Reticulation									-	-	-
Street Lighting									-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-
Dams & Reservoirs									-	-	-
Water purification									-	-	-
Reticulation									-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-
Reticulation									-	-	-
Sewerage purification									-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-
Refuse									-	-	-
Transportation	2								-	-	-
Gas									-	-	-
Other	3								-	-	-
Community		794	-	-	-	-	-	-	-	794	842
Parks & gardens									-	-	-
Sports Fields & stadia									-	-	-
Swimming pools									-	-	-
Community halls									-	-	-
Libraries									-	-	-
Recreational facilities									-	-	-
Fire, safety & emergency									-	-	-
Security and policing									-	-	-
Buses									-	-	-
Clinics									-	-	-
Museums & Art Galleries									-	-	-
Cemeteries									-	-	-
Social rental housing									-	-	-
Other		794							-	794	842
Heritage assets		-	-	-	-	-	-	-	-	-	-
Buildings									-	-	-
Other									-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-
Housing development									-	-	-
Other									-	-	-
Other assets		-	-	-	-	-	-	-	-	-	-
General vehicles									-	-	-
Specialised vehicles	18	-	-	-	-	-	-	-	-	-	-
Plant & equipment									-	-	-
Computers - hardware/equipment									-	-	-
Furniture and other office equipment									-	-	-
Abattoirs									-	-	-
Markets									-	-	-
Civic Land and Buildings									-	-	-
Other Buildings									-	-	-
Other Land									-	-	-
Surplus Assets - (Investment or Inventory)									-	-	-
Other									-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-	-
List sub-class									-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-
List sub-class									-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-
Computers - software & programming									-	-	-
Other (list sub-class)									-	-	-
Total Depreciation to be adjusted	1	2 541	-	-	-	-	-	2 000	2 000	4 541	4 813
Specialised vehicles	18	-	-	-	-	-	-	-	-	-	-
Refuse									-	-	-
Fire									-	-	-
Conservancy									-	-	-
Ambulances									-	-	-

2.14 Municipal manager's quality certificate

Quality Certificate

I, Mahendra Chandulal, Acting Municipal Manager of Mkhambathini Municipality, hereby certify that the Adjustment Budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

PRINT NAME

Mahendra Chandulal

ACTING MUNICIPAL MANAGER OF
(KZ226)

MKHAMBATHINI MUNICIPALITY

SIGNATURE

DATE

20 FEBRUARY 2015